REMARKS

Favorable reconsideration of this application, in light of the following remarks, is respectfully requested.

Claims 17-35 are pending in this application. No claims have been amended or cancelled. Claim 17 is the sole independent claim.

Applicants note with appreciation the Examiner's acknowledgement that certified copies of all priority documents have been received by the U.S.P.T.O., that the drawings have been accepted by the Examiner and that the references cited in the Information Disclosure Statement filed December 10, 2004 have been considered.

REJECTIONS UNDER 35 U.S.C. § 102

Claims 17-35 stand rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent 7,031,470 to Bar-On ("Bar-On"). Applicants respectfully traverse this rejection for the reasons detailed below.

The Examiner asserts "a first device" of claim 17 upon player security chip of *Bar-On* and "a second device" of claim 17 upon disk security chip of *Bar-On*.

In *Bar-On*, a player security chip sends a random number R is sent to the disk security chip. The disk security chip sends the player security chip an encrypted concatenation of a hash function of R (h(R)) and the content key encrypted with the disk key. The concatenation is decrypted by the player security chip and the hash function of R is computed. The hash function of R is compared with the h(R) received from the disk security chip. The random number R is verified to be correct.

In Bar-On, only the player security device generates a random number. The disk security device of Bar-On does not generate a second random number. The random number R is generated by the player security device and sent to the disk security device without any

encryption. The disk security device uses this random number to hash it (a hash function does not give a random number) and to concatenate it with a content key, which is known to the device and is thus not random. For these reasons, *Bar-On* fails to teach or fairly suggest "generating, at least one second random number in the second device," "encrypting said first random number by said first encrypting key," "encrypting said second random number by said second encrypting key" and "transmitting said first encrypted random number to the second device," as recited in claim 17.

Because of the above noted deficiencies, *Bar-On* also fails to meet "transmitting said second encrypted random number to the first device" and "decrypting the second encrypted random number in said first device," as required by claim 17. Further, the *Bar-On* method does not use a session key; instead the content key is used to decrypt the control words. Accordingly, *Bar-On* fails to teach or fairly suggest "combining said random numbers generated by one of the devices and received by the other device to generate a session key," as recited in claim 17.

For all the reasons stated above, Applicants respectfully submit that *Bar-On* fails to anticipate each and every limitation of claim 17.

Claims 18-35, dependent on independent claim 17, are patentable for the reasons stated above with respect to claim 17 as well as for their own merits.

Applicants, therefore, respectfully request that the rejection to claims 17-35 under 35 U.S.C. § 102(e) be withdrawn.

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CONCLUSION

In view of the above remarks and amendments, the Applicants respectfully submit that each of the pending objections and rejections has been addressed and overcome, placing the present application in condition for allowance. A notice to that effect is respectfully requested. If the Examiner believes that personal communication will expedite prosecution of this application, the Examiner is invited to contact the undersigned.

Should there be any outstanding matters that need to be resolved in the present application, the Examiner is respectfully requested to contact Donald J. Daley at the telephone number of the undersigned below.

If necessary, the Commissioner is hereby authorized in this, concurrent, and future replies, to charge payment or credit any overpayment to Deposit Account No. 08-0750 for any additional fees required under 37 C.F.R. § 1.16 or under 37 C.F.R. § 1.17; particularly, extension of time fees.

Respectfully submitted,

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By

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